

**ADDENDUM M TO THE CONTRACT BETWEEN
THE MICHIGAN DEPARTMENT OF SOCIAL SERVICES
AND
THE MICHIGAN DEPARTMENT OF PUBLIC HEALTH
(July 1, 1995-DECEMBER 31, 1996)**

This addendum sets forth the responsibilities of the Michigan Department of Social Services (MDSS) and the Michigan Department of Public Health (MDPH) relative to the Medicaid managed care ombudsman program established statewide for Medicaid enrollees. The general purpose of ombudsman services is to assist Medicaid enrollees in understanding, electing, and using the managed care system. Under the terms of this agreement, MDPH's responsibility is to contract with, and oversee, qualified agencies that wish to provide ombudsman services and that meet MDPH-established program standards. In so doing, MDPH thereby assists MDSS in administering the Medicaid Program. Social Services' responsibility is to provide oversight of the ombudsman service as appropriate for a single State agency and to reimburse the mutually agreed-to, federally matchable Title XIX costs which Public Health incurs to discharge the terms of this agreement and to otherwise support Public Health in meeting the responsibilities identified below.

The more detailed purpose of the ombudsman program is to assist recipients in

- choosing a Medicaid managed care program,
- understanding how the various Medicaid managed care programs work,
- accessing services through their managed care system,
- knowing how/when to use their primary care providers and how/when to use emergency room services,
- understanding the value of preventive services, such as EPSDT and immunizations,
- accessing preventive services within, or through, the managed care system,
- recognizing the value of other Medicaid services such as dental services and how to access them,
- resolving problems/needs relative to Medicaid managed care enrollment by assisting the recipient to call the Managed Care Recipient Hotline 1-800-642-3195,
- overcoming the barriers of special needs (e.g. language, culture, illiteracy) to access health care, and
- obtaining Medicaid services specifically for children with special health care needs and pregnant women.

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Responsibilities:

PUBLIC HEALTH WILL:

1. Draft and forward to MDSS, for approval, the qualifying standards that agencies must meet in order to provide ombudsman services. The standards must include the requirement that contracted agencies and staff will keep recipients' Medicaid related information confidential.
2. Select and forward to MDSS, for approval, the names of any and all agencies that Public Health considers qualified to provide ombudsman services.
3. Notify MDSS in writing of the applicants placed under contract so MDSS can verify that MDPH has contracted with MDSS approved agencies and can inform local DSS offices of agencies providing service.
4. Manage contracts, including payment of any and all appropriate charges resulting from the contract.
5. Confer with the managed care ombudsman contractors for the purpose of reviewing progress and providing necessary guidance to the contractors in solving problems which may arise.
6. Provide access to authorized representatives of MDSS, the Auditor General, Federal Grantor agency, Comptroller General of the United States, Health Care Financing Administration, or any duly authorized representatives, to all documentation related to this agreement.
7. Designate a MDPH staff member to serve as a liaison with MDSS to coordinate interdepartmental managed care and managed care ombudsman activities.
8. Consult with, and obtain approval of, the MDSS staff liaison prior to publishing any MDPH communications that have direct impact on Medicaid managed care plans. In general, materials having a direct impact on Medicaid managed care plans will be issued by MDSS.
9. Provide MDSS with semi-annual and annual reports documenting project activities, encounters, successes, and issues. Such reports are to be provided within 90 days of the end of the reporting period.
10. Provide all state funds used to support ombudsman services and bill MDSS on a quarterly basis for the federal portion of MDSS agreed-to costs incurred under this program.

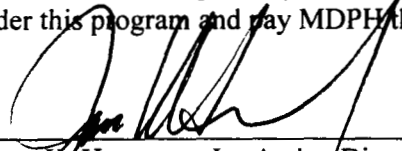
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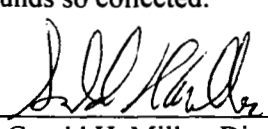
11. Maintain relevant program and fiscal records.

SOCIAL SERVICES WILL:

1. Provide required overall monitoring and oversight of ombudsman services as required of the single State agency.
2. Review and approve MDPH proposed qualifying standards that agencies must meet in order to provide ombudsman services, including the requirement that contracted agencies and staff must keep recipients' Medicaid related information confidential.
3. Review and approve MDPH's recommendations of agencies qualified to provide ombudsman services. Advise MDPH of approvals.
4. Inform local DSS offices as to what agencies are providing ombudsman services and also inform Medicaid managed care providers about the ombudsman program.
5. Develop and circulate publications about Medicaid managed care programs that increase client and provider participation and facilitate recipient access to a Medicaid managed care plan.
6. Provide technical assistance and periodic training to Wayne State University regarding how managed care programs function; Wayne State University will in turn provide direct managed care training to the ombudsmen.
7. Provide the MDPH liaison with a monthly list of managed care providers for use by the local ombudsmen in helping recipients to choose a managed care provider.
8. Designate a staff member to serve as a liaison with MDPH to coordinate interdepartmental activities and seek resolution of issues.
9. Bill HCFA on a quarterly basis for the federal portion of agreed-to costs incurred under this program and pay MDPH the federal funds so collected.


James K. Haveman, Jr., Acting Director
Michigan Department of
Public Health

Date:


Gerald H. Miller, Director
Michigan Department of
Social Services

Date:

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ADDENDUM N TO THE CONTRACT BETWEEN
THE MICHIGAN DEPARTMENT OF SOCIAL SERVICES
MEDICAL SERVICES ADMINISTRATION
AND
THE MICHIGAN DEPARTMENT OF PUBLIC HEALTH
CENTER FOR SUBSTANCE ABUSE SERVICES

This agreement is by and between the Michigan Department of Social Services, Medical Services Administration (hereafter referred to as the DSS) and the Michigan Department of Public Health, Center for Substance Abuse Services (hereafter referred to as the MDPH/CSAS).

WITNESSETH THAT: WHEREAS the DSS has implemented coverage of selected substance abuse treatment services to Medicaid eligible recipients and the DSS and MDPH/CSAS had agreed to continue coverage some alcoholism treatment and drug dependency services in freestanding facilities to Medicaid eligible recipients using State funds and, the MDPH/CSAS has agreed to identify qualified programs, administer prior authorization as defined by DSS, and supply technical assistance; and

WHEREAS, the DSS has the authority to implement such coverage for Medicaid eligible recipients and in accordance with policies established by DSS.

NOW, THEREFORE, in consideration of the above and in consideration of the promises and mutual covenants hereinafter contained, the parties hereto agree as follows:

A. PURPOSE AND OBJECTIVES OF SUBSTANCE ABUSE TREATMENT SERVICES COVERAGE

The purpose of this coverage is to improve access to substance abuse treatment services for Medicaid eligible recipients.

The objectives are as follows:

1. To provide payment for substance abuse treatment services to qualified MDPH/CSAS approved substance abuse treatment services providers for individual, group, and intensive outpatient counseling and methadone treatment services for Medicaid eligible recipients including those whose health care is covered through a Health Maintenance Organization plan for the period October 1, 1991 through September 30, 1992.
2. To develop the awareness and involvement of Medicaid eligible recipients in substance abuse treatment services.
3. To evaluate the effectiveness and success of the Medicaid substance abuse treatment services program coverage and where appropriate implement further changes.

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B: RESPONSIBILITIES OF DSS

DSS shall:

1. Enroll substance abuse treatment services providers qualified by MDPH/CSAS as Medicaid providers.
2. Process all claims for enrolled substance abuse treatment services providers for Medicaid eligible recipients receiving services from the providers.
3. Reimburse the enrolled participating substance abuse treatment services providers in accordance with the rate provisions established by DSS in conjunction with MDPH/CSAS.
4. Assist MDPH/CSAS in the evaluation of this coverage by placing at its disposal all available information pertinent to the program including previous reports and any other data relative to the program as generated by the Medicaid Management Information System (MMIS).
5. Examine and approve, on a timely basis, all studies, reports, and other documents presented by MDPH/CSAS.
6. Give prompt written notice to MDPH/CSAS whenever DSS observes or otherwise becomes aware of any change in the coverage.
7. Give prompt notice to MDPH/CSAS whenever DSS is aware of an ownership or address change of a substance abuse services provider.
8. Continue to work with the Health Care Financing Administration to obtain and maximize all available federal financial participation for substance abuse treatment services.
9. Prepare reports of non-Title XIX expenditures and report to MDPH/CSAS on a monthly basis.
10. Monitor expenditures and with approval of MDPH/CSAS implement coverage changes as appropriate.
11. Hear final appeals of any prior authorization denials made by MDPH/CSAS local coordinating agencies or their designated agents in accordance with DSS established and approved criteria and processes.
12. Reimburse MDPH/CSAS for the federal match portion of the administrative costs incurred by local coordinating agencies for prior authorization of intensive services per the MDPH/CSAS quarterly billing to DSS during the period October 1, 1991 through September 30, 1992.
13. Audit substance abuse treatment services providers for compliance with all Medicaid federal and state rules and regulations.

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14. Provide technical assistance and invoice billing training for all participating providers.
15. Provide MDPH/CSAS with all necessary prior authorization forms and provider enrollment forms.

C. RESPONSIBILITIES OF MDPH/CSAS

MDPH/CSAS shall:

1. Establish substance abuse treatment program qualification criteria in cooperation with and as approved by the DSS and review provider qualification applications to determine those qualifying programs.
2. Notify DSS of those substance abuse treatment services providers qualified to participate with the services each program is qualified to render, and to provide these qualified programs with the necessary DSS provider enrollment forms.
3. Promptly notify DSS whenever they are aware of any change in the qualification of an enrolled Medicaid substance abuse treatment services provider.
4. Contribute 100% of the state share for individual, group and intensive outpatient counseling and methadone treatment services for dates of service from October 1, 1991 through September 30, 1992.
5. Create an account and cost centers to record substance abuse treatment services and prior authorization expenditures. Prepare reports for DSS within 15 days of the end of the quarter for purposes of obtaining federal matching funds.
6. On behalf of the DSS, perform prior authorization through the MDPH/CSAS local coordinating agencies.
7. Evaluate the prior authorization process and recommend changes.
8. Prepare and submit statistical reports in accordance with DSS requirements.
9. Administer the prior authorization process in accordance with DSS established and approved criteria and processes through the local coordinating agencies. Final appeals of any denials will be heard by the DSS.

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10. Reimburse the local coordinating agencies directly for prior authorization costs and submit a billing for federal match to DSS within 15 days of the end of the quarter.
11. Evaluate and report on the effectiveness of the Medicaid substance abuse treatment services program coverage for successful recipient outcomes.

D. AGREEMENT DURATION

This Agreement shall be for the period October 1, 1991, through September 30, 1992.

E. BUDGET AND PAYMENT

DSS shall process and reimburse all coverage associated claims through the existing automated billing system with the expenditures charged to the MDPH/CSAS account number 110-35-3468. MDPH/CSAS liability for the acceptable cost for eligible services provided to Medicaid eligible recipients will be limited to the general fund/general purpose funds required for the state match. The DSS will claim the appropriate federal matching funds for covered services, and transfer the revenue to MDPH/CSAS on not less than a quarterly basis.

F. SCOPE OF SERVICES PROVIDED

All substance abuse treatment services provided to Medicaid eligible recipients under this coverage shall be limited as listed below.

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| Outpatient | - | Limit of 45 hours of any combination of individual, and/or group counseling per continuous 12-month period per Medicaid eligible recipient. |
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| Intensive Outpatient | - | Limit of 40 days (or partial days) of intensive outpatient counseling per continuous twelve month period per Medicaid eligible recipient. |
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Additionally, intensive outpatient counseling services require prior authorization.

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| Methadone Maintenance | - | Methadone maintenance services and medications as necessary per physician order and within state and federal regulations. |
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- G. GENERAL PROVISIONS

1. DSS Funds - Termination

DSS payment of funds for purposes of this Agreement is subject to and conditional upon the availability of funds for such purposes. No commitment is made by DSS to continue to expand such activities. DSS may terminate this Agreement in accordance with the provisions of the cancellation clause (Clause G-10) upon, written notice to MDPH/CSAS at any time prior to completion of this Agreement if, in the opinion of DSS, such funds are restricted.

2. Cost Documentation

MDPH/CSAS agrees to maintain financial records, documents, and other accounting procedures and practices that reflect all direct costs expended in the performance of this Agreement. Further, the accounting system shall provide for specific identification of all sources of funds, all contracts/subcontracts, purchase orders, accounts payable, and cash disbursements.

3. Review and Monitoring Reports

MDPH/CSAS and DSS shall attempt to comply with all program and fiscal review reporting procedures as are or may hereinafter be established by either department.

4. Examination and Maintenance of Records

MDPH/CSAS agrees to permit DSS, or any of its identified agents, access to the facilities being utilized, at any reasonable time to observe operations. MDPH/CSAS further agrees to retain all financial records or other documents relevant to the Agreement for three years after final payment, or until completion of the Single Audit Act requirements and any persons duly authorized by DSS shall have full access to and the right to examine any of said materials during said period. If an audit is initiated prior to the expiration of the three year period, and extends past that period, all documents must be maintained until completion in accordance with the Single Audit Act. DSS shall provide findings and recommendations of audits to MDPH/CSAS. DSS will adjust future payments or final payment if the findings of an audit indicate over- or underpayment to MDPH/CSAS in the period prior to the audit. MDPH/CSAS agrees that if it ceases business operations, the records will be maintained as DSS may direct.

5. Compliance with Civil Rights, Other Laws

MDPH/CSAS shall comply with all published rules, regulations, directives, and orders of the Michigan Civil Rights Act of 1955, as amended, being MCLA 423.304 and 423.304a. MDPH/CSAS further shall comply with provisions of Title VI of the Civil Rights Act of 1964, and any amendments

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thereto. MDPH/CSAS shall also comply with the provisions of the Handicapped Civil Rights Act of 1976, being Public Act 220, and the Rehabilitation Act of 1973, being Section 504 of Public law 93-112. Further MDPH/CSAS agrees to comply with all other Federal, State, and local laws, regulations, and standards, and any amendments thereto, as they may apply to MDPH/CSAS.

6. Recipient Rights System

MDPH/CSAS and DSS shall have a system of hearings under which applicants, or recipients, or an individual acting on behalf of an applicant or recipient may appeal denial, reduction or termination of a service.

7. Confidentiality

The use or disclosure of information concerning services, applicants, or recipients obtained in connection with the performance of this Agreement shall be restricted to purposes directly connected with the administration of the program implemented by this Agreement; and the Administrative Rules for Substance Abuse Services in Michigan.

8. Contracts

Substance abuse treatment services providers shall enter into a Medicaid provider agreement with DSS for the Medicaid substance abuse treatment services program. This agreement is not contingent on a contract with MDPH/CSAS.

9. Liability

MDPH/CSAS shall indemnify, save, and hold harmless DSS against any and all expense, and liability of any kind which the MDPH/CSAS may sustain, incur, or be required to pay arising out of this Agreement; provided, however, that the provisions of this paragraph shall not apply to liabilities or expenses caused by or resulting from the acts or omissions of DSS or any of its officers or employees. Further, in the event MDPH/CSAS becomes involved in or is threatened with litigation, MDPH/CSAS shall immediately notify DSS and DSS may enter into such litigation to protect the interests of DSS as they may appear.

10. Cancellation of Agreement

If, in the opinion of DSS, MDPH/CSAS fails to comply with the conditions of this Agreement or to fulfill its responsibilities as indicated in the Agreement, or DSS determines that the methods and techniques being utilized in accomplishing the goal are not acceptable or compatible with DSS policies, DSS reserves the right to cancel this Agreement by giving sixty days notice to MDPH/CSAS. MDPH/CSAS may terminate this Agreement upon sixty days written notice to DSS at any time prior to the completion of the Agreement period if DSS fails to comply with the conditions of this Agreement.

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11. Closeout

When this Agreement is concluded or terminated, MDPH/CSAS shall provide DSS, within ninety days after conclusion or termination, with all financial, performance and other reports required as a condition of the Agreement. DSS shall make adjustments to MDPH/CSAS for allowable costs not covered by previous interaccount billings. The final interaccount billing adjustment may be subject to an audit.

12. Continuing Responsibilities

Termination, conclusion, or cancellation of this Agreement shall not be construed so as to terminate the ongoing responsibilities of MDPH/CSAS contained in the Examination and Maintenance of Records and Closeout Paragraphs included in this Agreement.

13. Agreement Inclusiveness/Amendment

This Agreement contains all the terms and conditions agreed upon by the parties. No other understanding, oral or otherwise, regarding the subject matter of this Agreement shall be deemed to exist or to bind any of the parties hereto. MDPH/CSAS agrees, upon request by DSS and recipient of the proposed amendment, to amend this Agreement if and when required in the opinion of DSS, due to revision of federal or state laws or regulations. If MDPH/CSAS refuses to sign such amendment within fifteen days after receipt, this Agreement shall terminate upon such refusal. This Agreement may otherwise be amended only by the written consent of all the parties hereto.

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